

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
AMRO INTERNATIONAL, S.A., ROSEWORTH
GROUP, LTD., CAMBOIS FINANCE, INC., RHINO
ADVISORS, INC.,

Plaintiffs,

- against -

SEDONA CORPORATION, MARCO A. EMRICH,
LAURENCE L. OSTERWISE, R. BARRY BORDEN,
WILLIAM K. WILLIAMS, MICHAEL A.
MULSHINE, JACK PELLICCI, ROBERT M.
SHAPIRO, JAMES T. WOMBLE, and JAMES C.
SARGENT,

Defendants.
----- X

: Case No. 09 CV 4291 (LTS)

: ECF Case

: **DECLARATION OF**
: **THOMAS BADIAN IN**
: **SUPPORT OF PLAINTIFFS'**
: **MOTION FOR SUMMARY**
: **JUDGMENT**

I, THOMAS BADIAN, declare pursuant to 28 U.S.C. § 1746 as follows:

1. I am the former chief executive officer of Plaintiff Rhino Advisors, Inc. ("Rhino"). Rhino was the investment manager for Plaintiffs Amro International, S.A. ("Amro"), Roseworth Group Ltd. ("Roseworth"), and Cambois Finance, Inc. ("Cambois") (collectively, with Rhino, "Plaintiffs"). I submit this Declaration in support of Plaintiffs' Motion for Summary Judgment. The following facts are true of my personal knowledge gained through my position with Rhino.

2. In 2000 and 2001, Amro and Defendant Sedona Corporation ("Sedona") entered into a series of financing agreements, secured by convertible debentures. Roseworth and Cambois also entered into transactions with Sedona.

3. Sedona eventually refused to honor its obligations under the financing agreements, claiming that Amro was manipulating its stock. In response, Amro sued Sedona.

4. On or about February 14, 2002, Amro and Sedona entered into a Settlement Agreement (the “Settlement Agreement”) resolving the litigation. A true and correct copy of the Settlement Agreement is attached as Exhibit A.

5. At the same time that the Settlement Agreement was executed, Amro, Sedona and Sedona’s individual directors executed documents entitled, “Releases.” A true and correct copy of the Releases is attached as Exhibit B.

6. At the time that the Settlement Agreement was negotiated with Sedona, Sedona was a publicly-traded company and was represented by counsel during the course of the negotiations and execution of the Settlement Agreement and Releases.

7. Amro has performed all of its obligations under the Settlement Agreement.

8. In 2003, in violation of the Settlement Agreement and Releases, Sedona filed a lawsuit against Amro and the other Plaintiffs for stock manipulation, styled *Sedona Corporation v. Ladenburg Thalmann & Co.*, No. 03Civ.3120(LTS)(THK) (S.D.N.Y. 2003) (the “Sedona Action”).

9. Plaintiffs incurred significant attorneys’ fees and costs defending the Sedona Action before the Court granted their dismissal from the Sedona action. Sedona has not reimbursed any of the fees or costs.

I declare under the penalty of perjury under the laws of the United States that the foregoing is true and correct.

Dated: Vienna, Austria
October 7, 2011

A handwritten signature in black ink, appearing to read 'T. Badian', written over a horizontal line.

Thomas Badian